WAT G.B. MTG. IMF & ECONOMIC PKG.

7/Sept '93

Karamat & Bunny to speak on Econ pkg + IMF.

film on IMF & how the world Bank work.

Structrally maladjusted - non to disadvantage of commodity maker. Need to change or else trapped in crisis +

Michael Manley - '72-'75. P.M Jamaica - speaking of abolishing capitalism.

* Jamaica - model of classic formula capit, hope of trickle down
6% Growth - unemployment doubled - literacy down
35% - typical develop country - buys indust. prod. sells agricultural.
Eco. crisis of 70s hit 3 world countries.
Structural adj. hit - 99% dependent on oil/energy.
sugar price stagnant. skyrocketing prices of imports - restrained economy.
Third world turns to richer countries if in recession turns to IMF/W.B. or rich banks (Int)
70s banks major funders - Oil surplus money
No-one gets untd funds. - Country credit system
High risk lowest down. Pak. (72). Credit risk.
Banters control how money flows.
Political uncertainties.
* Health in Jamaica improved - eh eh.

Jamaica:

Social programmes leading to bankruptcy. Typical of socialist countries -
Socialist - communist thin line of demarcation.
Cuba type society
Politics influence investors - support of Angola strained r-ship with RSA.

IMF/WB persuading countries what to do. Founded in 1944 Bretton woods, Hampshire — in a hotel.
S.T loans to cur deficit in B of Payments.
Powerful group of people gather but only some matter. Conditions more imp. than cash flow how cond. determined doesn't matter.
* NO specific info given / anonymous.
IMF reps. all countries - makes decisions on basis of Consensus - "democratic, unanimous".
Member pay contribution to fund depending on ability & have chair for decision making accordingly NOT majority based as in UN type.

IMF function to see goods transferred in other countries. Must meet conds. Private banks then to open up.

second part of film on Chile - IMF easier dealing with dictatorships.

Karamat:

IMF clearly outlined in film

* we know how IMF functions but in Pak., USA supportive & now what? R-ships. How to boycott?

U.S.A. 2 opinions 1) Prevailing - that according to IMF we should comply & get out of it. Need to see past to determine this - I think not.

Why did we go along with IMF/W.B - Unique positions now that IMF (in crucial era only) person has been imposed on us - MNC sitting employees are ministers (Unfo, IBM / PLD / Finance / B-etc) - Modern & pervasive of W.B. S.A programme since 88 when we accepted their package. Spending most on defence

W. Africa eg. In all three Pak. unique. Last 4 yrs. experience despite '88 SAP 2 reasons

1) B of Payments - 2½ billion & increasing gap makes remittance down

2) Budget deficit increased. Social sector decreasing expenditure.

3) Debt increasing despite devaluation.

'Secret document' - what makes it Hag (either cancellation or introd. new interim part) Last June new IS - next 3 yr budget put down Secret for us but open (with document) to IMF circles.

* SAP - erosion of pol. sovereignty.

wanting to solve short & prob. in SE

In '91 W.B. printed report

89-90 - $19 billion

93-94 - $23 billion

(but due to devaluation 28 $ billion

Policy prescrip. " — to inc. exports. B of P gap lessened etc. —

* since '83 devaluing 13. Rs to $1 now $32 - experience shows devaln. not doing anything to deficit

3 yr. programme of IMF - meant to end '91 - however, govts when elected have to answer people.

Direct implications as most apprehend.

food items increase.

still incomplete - 10% thru yr. devaln. to be increased.

Implic of devaluation:

Diff views - Best obvious are in direct incomes decrease - Case study of L.A. (Peru) (Ex Attempting maternal for IMF)

U.K. typically 1 pkg. out of 4 turn realised statistically that evolved estimates when took loan - never looked back.

IMF stabilisation = malproductive years.

Govt - not accountable, cannot give eg. of improvement.

Purpose: market expand regularly.

Our eco. structure not to move in our directions but towards their definition - NO land reforms prescribed. Rural poverty & urban poverty result of the earlier. Related to poor women, child labour. Creation of "New Poor".

Intentions not to stop the plundering of our economy knowing lasting of treasury.

Defaulters, loser pol. figures - using this instead to depoliticise - to discredit politics - technicians to be brought in instead to encourage authoritarian sector.

Labour legislation not passed - but in finance that those that export industries have them 70% unorganised labour.

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* Lose right to unionise + collective bargaining

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The so called 100 Rs. will go to 5% people.

* Direct / permanent employee (only unionised)

Previously others get either -

Employees 33 % | Rem - self employed. fall in this category - emp. of home-based work - of child labour.

No relief for these workers.

Illusion that we will prosper (exp Nicr) - not depend. on how much prod. but who will say. least to beg $ our neighbour.

Concept of HR imposed on us as well.

* Aimed to rid contract basis labour - threatening foreign direct investment - eco. will collapse. Laws violations should be accepted by us - save time saying we shouldn't be using child labour etc. They should get interests etc) fragmented effects. 2) depoliticisation.

T.U. depoliticised - struggling only on economic basis.

Political consciousness needs to be picked up. not / integrating of people/oppressed.

State incr. authoritarian. Defaulters not allowed to run elect. in eg. constitut. rights - legal cases. mockery of system - should be one legal basis.

This Gov. formation unconstitutional.

CAST related issues not being looked over.

Idea for watches or research - life forms patented... no possib. of patenting - Either process patented (pharmacy, bank, video) or product. New idea must be simultaneous + complete.

Particular class of feudals / indust involved
Ag agric develop. done by state - money of people used. N Budget of Pak. NOT indigenous capital - what develop! has occurred

Influence on women
Real incomes fell - services in h.hold can be substituted for cash.

Unemployment incr. spec for ff - exception is Sri Lanka - pure - small & small pop. etc can't compare.
2 - food shortages: food stamps.
linked to population contrd.
with package is pop policy - we should have low. Deaths largest in Bdesh, India: malnutrition is Pak
3. State disengages for develop - indus, agric, utilities (will go up) - education & health.
Don't have right to live within system.
Thailand - 8 mill - 1 mill prostitution.

1) Cut defence exp.
2) Regional organisation. Buy interchangeably

Alternatives

1)
Put up T.U. people at least to reflect interests environment, women.

idea of security nets comes after injecting it with problem. First need basic secure - social security - states responsibility to provide these - Park doesn't agree to this - or our own constit. which is these - principles of policy -